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Wednesday, September 21, 2005

John F. Carter
25 Jessie Street at Ecker Square, Suite 2300
San Francisco, CA 94105-2780

2005 SEP 26 AM 11 58

SUBJECT: BANK OF WAL-MART

Mr. Carter:

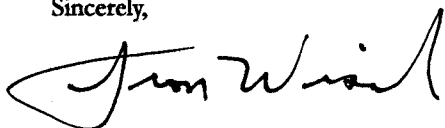
I am writing to inform you of my opposition to Wal-Mart's request to enter the banking business and to request that you and the FDIC deny their requests to do so. I understand that Wal-Mart has already set up Industrial Charter Banks in Utah. However, I believe that to allow this company to set up banking operations around the nation would threaten low and middle income Americans.

Wal-Mart has a long and well documented history of bad business practices. They are guilty of building "big-box" stores in towns all across America, paving over acres and acres of land only to abandon their stores to build bigger ones mere miles away, creating suburban blight everywhere. There are a multitude of legal filings documenting Wal-Mart's union busting activities, employment of illegal aliens, and sexual discrimination in hiring and promotion practices. Small town drug stores have fought for years Wal-Mart's well known and illegal predatory pricing strategies, where they enter a market and purposely under-price their drugs in order to destroy competition, only to hike prices once other retailers are eliminated. Cities and towns across the Midwest and West have fought the entry of Wal-Mart only to be out-spent and out-muscled by the largest retailer on earth.

Wal-Mart has worked to offer low prices to all of its customers, and it can be argued that their efforts have helped to keep inflationary pressures in the retail sector at bay for many years. Low and middle income Americans welcome Wal-Mart's low prices and ubiquitous stores as convenient. But having Wal-Mart as their customers' banker, I believe, would pose a bad conflict of interests. It is all too likely that loans and lines of credit offered to their customers would be used directly for the purpose of buying things in Wal-Mart's stores. Despite their claims of institutional separation, I find it unlikely that a lucrative avenue of revenue and sales growth like this would go unexploited by the company. As consumers fall further and further into debt, the Bank of Wal-Mart will not care about their customer's buying ability, but will insist on their efforts to repay bad loans. As with any other bank, delinquent loan payments will be aggressively pursued, and credit histories will be damaged.

Although consumers often find themselves in this situation today without Wal-Mart banks, I see the obvious conflict of interests as yet another consumer trap that would be set. Given their long history of bad labor relations, poor building practices, and predatory business tactics, I do not think Wal-Mart can be trusted to do what is right for American banking customers. In the end, the inseparability of its retail arm from its banking arm would create too many dangerous situations for consumers.

Sincerely,



Aron Wisneski

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